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FEDERAL MARITIME COMMISSION

ZIM/ESL AGREEMENT
A Cooperative Working Agreement

FMC Agreement No. 011959

Expiration Date:



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FMC No. 011959
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ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of the Agreement is the ZIM/ESL Agreement (hereinafter referred to as the "Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of the Agreement is to permit the Parties to achieve efficiencies and economies in their respective services offered in the trade covered by the Agreement.

ARTICLE 3: PARTIES TO THE AGREEMENT

The Parties to the Agreement (hereinafter "Party" or "Parties") are:

1. Zim Integrated Shipping Services, Ltd. hereinafter referred to as "ZIM")
9 Andrei Sakharov Street
"Matam" - Scientific Industries Center
P.O.B. 1723
Haifa 31016 Israel
2. Emirates Shipping Line FZE of PO Box 122115 Dubai, UAE, hereinafter referred to as "ESL")
c/o Emirates Shipping (Hong Kong) Ltd 21st Floor, Convention Plaza, 1 Harbour Road, Wanchai,
Hong Kong

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

This Agreement shall cover transportation between ports on the United States Gulf Coast and inland and coastal points served via such ports, on the one hand, and ports in Jamaica, Panama, Korea and the People's Republic of China and inland and coastal points served via such ports. The foregoing geographic scope is hereinafter referred to as "the Trade".

ARTICLE 5: AGREEMENT AUTHORITY

5.1 Coordination of Sailings

The Parties may consult upon sailing schedules, service frequency, ports to be served and port rotation.

5.2 Slot Chartering

A. Vessels

The Parties are authorized to discuss and agree upon the number, size and other characteristics of the vessels to be deployed hereunder. The Parties will initially deploy 9 fully cellular container vessels of which ESL will be providing 2 vessels and Zim will be providing 7 vessels. The vessels shall be defined as 2835 TEUs effective capacity based on an average weight of 10 metric tons per container and capable of performing 19 knots speed at scantling draft.

B. Slot Allocations

ESL will take 630 TEUs, used or not used, and Zim will take 2205 TEUs, used or not used, on each sailing of the vessels deployed hereunder. Final allocations per sailing to be determined proportional to the declared allocations of the vessels deployed per cycle.

C. Additional Space

The Parties are authorized to provide additional space and deadweight to each other on an as available/as needed basis on such terms as they may agree.

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D. Sub-Chartering

Neither Party to this Agreement may sub-charter its allocated space under this Agreement to other ocean common carriers without first obtaining the prior written consent of the other Party which consent shall not be unreasonably withheld.

E. Shanghai Draft Restrictions

The Parties agree to limit their weight allocation proportionate to their respective allocations per sailing for the draft available from the Port of Shanghai. In the event that a vessel is unable to lift the agreed slots/deadweight allocations because of known and agreed port draft restriction at Shanghai, then the total deadweight capacity provided by the vessel on arrival and on departure at Shanghai shall be shared in proportion of the agreed allocations on each vessel (including cargo weight loaded on board in ports preceding the port concerned by the draft restriction). Parties having exceeded their allocation as recalculated above may be requested to discharge containers/weight in excess weight if necessary.

5.3 Calculation of Allocation

The Parties' allocation shall be calculated as a TEU number for containers with an average weight on 10 metric tons per TEU and 40' containers shall be equivalent to 2 TEUs. 40' high cube containers shall be equivalent to 2.25 TEUs and 45' high cube containers shall be equivalent to 2.53 TEU's. The allocation for each Party shall be available to it for any number of liftings within the scope of the service.

5.4 Schedule

The long term schedule of the service will be managed by Zim on account of

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both Parties; any deviation from pro forma long term schedule will be immediately communicated to ESL for ESL's acceptance and so as to ensure berth window availability. Notwithstanding the foregoing, stowage planning and regional operation schedules will be performed by each Party for the vessels it provides.

5.5 Terminals

The Parties intend to use the same terminal in each port. The identity of the terminal at each port will be mutually agreed between the Parties.

5.6 Agents

Each Party shall maintain its own agent at each port of call in the Trade and such agents shall coordinate their efforts regarding procedures, delivery of containers, etc.

5.7 Separate Identity

The Parties shall retain their separate identities and shall have separate sales, pricing and marketing functions. Each Party will issue its own bills of lading to its shipper, handle its own claims and shall be fully responsible for the expenses and operations of its own vessels and for terminal costs attributed to cargo moved under its own bill of lading unless such costs are the results of actions taken by the non-bill of lading Party.

5.8 Other Authority

The Parties may interchange, establish pools of, or otherwise cooperate in connection with, their empty containers, chassis and/or related equipment to provide for the efficient use of such equipment as between themselves, or to, from, or with others on such terms as they may agree. The Parties may also jointly contract with or

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coordinate in contracting with stevedores, terminals, ports, inland depots and suppliers of equipment, land or services or make designate the other to provide or manage such services and equipment or equipment pools on the designating Party's behalf. Nothing herein shall authorize the Parties jointly to operate a marine terminal in the United States.

ARTICLE 6: OFFICIALS OF THE AGREEMENT
AND DELEGATIONS OF AUTHORITY

The following persons shall have authority to sign and file this Agreement or any modifications to this Agreement, to respond to any requests for information from the FMC and to delegate such authority to other persons:

- 6.1 The Chief Executive, director or a Vice President for each Party; or
- 6.2 Legal counsel for each Party.

ARTICLE 7: MEMBERSHIP, WITHDRAWAL,
READMISSION AND EXPULSION

7.1 Either Party may withdraw from this Agreement by providing not less than six (6) months prior written notice to the other Party, provided, however, that no such notice may be given prior to eighteen (18) months from the effective date of this Agreement.

7.2 Membership is limited to the Parties hereto, except that additional carriers may be admitted or readmitted by unanimous consent of the Parties pursuant to the provisions of the Shipping Act of 1984 as amended by the Ocean Shipping Reform Act of 1998.

ARTICLE 8: VOTING

Unless otherwise agreed in writing between the Parties, all amendments to this Agreement require unanimous vote of the Parties.

ARTICLE 9: DURATION AND TERMINATION OF THE AGREEMENT

9.1 Duration and Effective Date

The effective date shall be the date the Agreement becomes effective pursuant to the Shipping Act of 1984 as amended by the Ocean Shipping Reform Act of 1998. This Agreement shall be enforced for a minimum period of two (2) years and thereafter shall continue to remain in effect for an undetermined period, unless terminated by either Party pursuant to Article 7.1 above.

9.2 Termination

A. The Agreement may be terminated as follows:

(1) Either Party may terminate this Agreement as per Article 7.1.

(2) The Agreement may be terminated at any time by written mutual agreement of the Parties.

(3) In the case of a material breach of the Agreement by one of the Parties, that Party shall correct that breach within thirty (30) days from the date of written notice (specifying such breach or failure of performance). In the event that the breach is not resolved, the other Party has the right to terminate the Agreement effective sixty (60) days from the date such notice was given.

(4) If at any time during the term of this Agreement any Party (the

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"Affected Party") is either (i) dissolved or becomes insolvent or (ii) has a winding up order made against it or enters into liquidation either voluntarily or compulsorily or (iii) seeks or becomes subject to the appointment of an administrator, receiver, trustee, custodian or other similar official for the whole or a substantial part of its assets or business, or (iv) is affected by any similar event or act under the applicable laws either of the jurisdiction in which it is formally organized or in any other jurisdiction in which it carries on business or (v) any such event or act has an analogous effect in any other jurisdiction or (vi) if such Party takes any action in furtherance of any of the foregoing acts or events (other than for the purposes of a consolidation, reconstruction or amalgamation) and the other Party is of the reasonable opinion that such event or occurrence is or may be materially detrimental to this Agreement, or that sums owing under this Agreement (other than those disputed in good faith) may not be paid in full or that their payment may be significantly delayed, then such other Party may give notice to the Affected Party terminating this Agreement with immediate effect or suspending this Agreement or any part thereof for such period as such other Party in its reasonable discretion deems appropriate, but without prejudice to any accrued rights and obligations hereunder.

B. The FMC shall be promptly notified in writing of the termination of this Agreement.

C. The termination of this Agreement pursuant to this Article shall not terminate or otherwise affect any accrued obligations of one Party to the other Party under this Agreement which have arisen prior to such termination.

ARTICLE 10: ADMINISTRATIVE MATTERS

The Parties may discuss and agree on general administrative matters necessary to implement this Agreement, including but not limited to performance procedures and penalties, procedures for allocating space, schedule adjustments, forecasting, terminal operations, recordkeeping, insurance, claim and settlement procedures, liabilities and indemnifications, the interchange of information and data and who will bear these administrative expenses as the Parties may from time to time agree.

ARTICLE 11: APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of England, except that nothing shall relieve the Parties of their obligation to comply with the Shipping Act of 1984, as amended. However, any dispute between the Parties relating to loss or damage to cargo and containers shall be dealt with under conditions and terms agreed by the Parties.

ARTICLE 12: ARBITRATION

Except as otherwise provided herein any dispute or difference arising hereunder which is not amicably settled by the Parties shall be referred to arbitration in London in accordance with the Arbitration Act of 1996 of the United Kingdom and the Rules of the London Maritime Arbitrators Association (LMAA). Each Party shall appoint one arbitrator and in the event the two arbitrators cannot agree, the case is to be referred to an umpire appointed by them. In the event that after one Party appoints an arbitrator and the other fails to appoint one within fourteen (14) days of such written

notice, then the decision of the single appointed arbitrator shall apply. However, for claims totaling less than US\$100,000, the LMAA Small Claims Procedure shall apply.

ARTICLE 13: FORCE MAJEURE

Except as may be otherwise specially provided herein, neither Party shall be liable for a failure to perform its obligations hereunder, except any obligation to make payment for liabilities incurred or arising prior to the date of the force majeure event, or deemed responsible for any loss, damage, delay insofar as such Party can prove that (i) it could not have foreseen the occurrence of such event (ii) that the impediment to its performance actually resulted from one or more of the following events, the enumeration not being exhaustive: war (whether declared or not), warlike operations, terrorist act, civil commotion (or civil war), invasion, rebellion, sabotage or other work stoppages, hostilities, blockade, strikes, lockouts, labor disputes, nuclear accidents, unusually severe weather, regulations, or order of governmental authorities. Acts of God, or inability to obtain material or services, any other event whatsoever proven to be beyond the control of the Party concerned and (iii) that there were no reasonable steps which such Party could have taken to avoid, minimize or reduce the impact of such events. In the event that the Force Majeure prevents the performance of the obligations set forth hereunder for a period of forty-five (45) continuous days, the Party not affected by Force Majeure, or either Party hereto if the two Parties are so affected, may terminate this Agreement by giving sixty (60) days prior written notice to the other Party.

ARTICLE 14: NOTICES

All notices required by this Agreement shall be sent by facsimile, telex, e-mail or other electronic means, with a confirmation copy sent by registered mail, return receipt requested, to the addresses set forth in Article 3 hereof. All other written communications pertaining to or in connection with this Agreement may be sent by facsimile, telex, e-mail or other electronic means. Any notice so served by facsimile, e-mail or electronic means shall be deemed to have been received twelve (12) hours after the time of dispatch provided an error-free transmissions report has been received by the sender.

ARTICLE 15: NON-ASSIGNMENT OR CHANGE OF COMPANY OWNERSHIP

A. Except as specifically previously provided herein, no Party shall assign or transfer this Agreement or all or any part of its rights hereunder to any person, firm or corporation without the prior written consent of the other Party.

B. If at any time there shall be any change in the control or in the material ownership of any Party to this Agreement and if the other Party is of the opinion, arrived at in good faith, that such change is likely materially to prejudice the cohesion and/or viability of this Agreement, then such other Party may within three (3) months of becoming aware of such change give no less than three (3) months written notice to terminate this Agreement.

ARTICLE 16: ENFORCEABILITY

Notwithstanding that any provision of this Agreement may prove to be illegal or unenforceable, the remaining provisions of this Agreement shall continue in full force

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and effect.

ARTICLE 17: COUNTERPARTS

This Agreement may be executed in counterparts. Each such counterpart shall be deemed an original, but all together shall constitute but one and the same instrument.

ARTICLE 18: NO PARTNERSHIP

This Agreement is not intended to create a partnership or joint venture under any jurisdiction.

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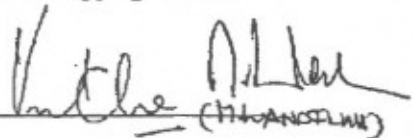
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SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed
by their duly authorized officers or agents.

Emirates Shipping Line FZE

By:  (Handwritten signature)

Zim Integrated Shipping
Services, Ltd.

By: _____

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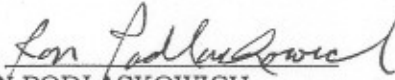
SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed
by their duly authorized officers or agents.

Emirates Shipping Line FZE

Zim Integrated Shipping
Services, Ltd.

By: _____

By: 
RON PODLASKOWICH
Vice President
Regulatory Matters and
Trade Development